

FOOD AND  
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ASSISTANCE

**Afghanistan Civil Servant  
Salary Supplement  
Program Review**

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**Food and Nutrition Technical Assistance Project (FANTA)**

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## **Executive Summary**

At the request of the new Afghan Government, and with the support of the USG given to the United Nations Secretary General's Special Representative to Afghanistan, the World Food Program's emergency appeal for Afghanistan includes a special program of food assistance for up to 270,000 Afghan Government civil service employees. This program does not include military and police forces. The purpose of this program component was to directly support efforts by the Interim Afghan Government to re-establish and strengthen the national civil service and maintain stability. The program objective according to WFP is to "exceptionally support the UN efforts to facilitate the re-establishment of Afghanistan civil service by providing short-term food aid, until September 2002, to Afghan civil servants whose level of salary, when paid, ...makes them among the poorest people in the world."

The Office of Food For Peace (FFP) responded to the special program request with 31,050 MT of commodities valued at \$25,418,500 for Afghan civil servants. This donation included 20,250 MT of lentils requested by WFP and 10,800 MT of vegetable oil. The resulting \$819 per metric ton cost is due to the mix of commodities being provided. This contribution represents 100 percent of the civil service requirements for the March - September period, plus some 3510 MT of vegetable oil to be provided to teachers after the end of assistance to the other civil service branches.

## **Program Results**

- **The program accomplished its stated objectives of helping to re-establish and strengthen the national civil service.** The new Afghan Government's initiation of the food salary supplement with only six months of pledged support was, if anything, a high-risk political venture. But rank and file confidence in the new government has been strengthened and many employees returned to their workplaces when the program began. A stoppage of the program for any extended period is likely to sour the good will and confidence immediately gained by the government. Some new resources have been found (Pakistan) which will carry the program through January but, without a further infusion of cash or commodities, the short-term gains made by the government in extending the range of its influence are likely to disappear.
- **Reinstitution of civil service compensation in the form of the food supplement helped induce workers** who went elsewhere, or supported local strongmen, to return to civil service in their old status. Many had existed on casual labor income or worked for those who could feed them. Civil Service work force levels increased from 204,390 persons in March to 251,431 persons in June, when the last "official" payroll figure was given to WFP. Though civil service pay remains sporadic and marginal at best, the rank and file are willing to work for food as a hedge against today's severe inflation pressure. The government has gained some time and strengthened its ability to provide services.

- **The food supplement helped bring about better relationships between the province governors and Kabul.** But provincial governors and food beneficiaries had last received their salaries in June, according to their early October statements. Supplemental food distributions between July-September provided some compensation to those civil servants on June's payroll, but new payroll additions are still waiting to be added to the ration lists. The failure of the government to pay salaries on a timely basis is likely to weaken its attempts to expand influence.
- **WFP's relationships with provincial governments also received a major boost** through the program. Ministries, Governors and Department of Ration Directors saw WFP directly working to help their staffs. Interaction is more constant and trusting. Without WFP's logistical support, the program would not have succeeded. WFP trucking was the key to getting food to government warehouses in a timely manner. Without this support, distributions would have been slow and erratic.
- **Program visibility fostered solid good will for the US.** A majority of the beneficiaries realize the commodities they received are from the US. The level of recognition increases with the literacy of the recipient. Beneficiaries want to know if the program will continue. The US was an easy target to blame if the program stopped because of this current visibility. The support of the entire government workforce solely with US commodities for the six-month implementation period made USAID vulnerable to misguided accusations of withdrawing support. The Pakistan wheat removes some of this pressure.
- **The program provided a purchasing power boost of 20-25 percent for the rank and file.** As are the majority of the Afghan population, the mostly laborer "civil servants" have been, and continue to be, extremely income-vulnerable. Depending on the exchange rate used and market price swings, the current value of the supplement approximates \$7.00, much below the \$12 estimated by WFP before the program began. Market price data regularly collected by WFP shows significant price increases for wheat (117%), flour (104%), meat (121%), and casual (day) labor (83%) since January. Inflationary pressures are also reflected in the street rates for dollars. The trends suggest increasing vulnerability for Afghans. They also help confirm the consistent statements by beneficiaries that they preferred a food supplement to a salary increase.
- **The food was consumed, not traded or monetized.** By serving as a supplement, the program did not disrupt local markets. Most small urban and the rural markets are very thinly supplied. Local purchases would, at least in the short-term, cause an increase in prices. Beneficiaries say that the lentils and oil provided under this program may have helped stabilize their markets.

- **The quantity and type of commodity assistance (lentils and oil) was appropriate for local diets.** No significant misuse or “leakage” (other than the flimsy USA oil cans) was noted during personal program review, or by WFP monitors. The ration book system makes misuse/theft difficult unless Ministry of Finance (MoF) payrolls include “ghost” workers.
- **There is a pronounced risk that the government and civil servants will resent special treatment for teachers,** especially if these additional commodities are stored and distributed through the DoR and allocated to teachers in front of other workers. USAID and WFP are discussing continued salary supplement support for teachers after September. Female teachers may be more at risk of physical or verbal resentment. Alternate distribution methods, such as the distribution of the supplemental teacher rations at their schools, are strongly advocated if this program is continued, as well as provision of supplemental food to school support staff.
- **Structural reform of the civil service is needed.** The salary supplement is the only “safety net” for civil service employees. The system is antiquated. A top-to-bottom structural reform of the civil service is needed if Afghanistan is to generate a capacity to develop meaningful, sustainable international relationships, engage in the world marketplace, and obtain/retain qualified people for the civil service. Many civil service workers appear to be redundant or unproductive.

## Lessons Learned

1. **Consciously balance the political stakes and vulnerabilities inherent in this type of program.** Before engaging in future government assistance programs of this magnitude, Senior Staff should weigh potential program benefits against (a) the political costs of failure, (b) difficulties in program implementation, and (c) future resource acquisition prospects by the host government to continue the program. USAID should use its best efforts to program in a manner which guards against the chances of failure and potential USAID vulnerability.
2. **Use an established system, or build on an established network, to increase the possibility of success.** In the Afghanistan case, a system initiated in 1937, although moribund since the mid-1990s, had sufficient historical memory and personnel capacity to restart with short notice. Given the lack of resources – financial, physical, and human – a new system would not have been able to function throughout the country without significant trial and error. And there would be plenty of trial and bushels of errors. If an entrenched system is not in place, or if a system is largely unproven, program risk will increase geometrically.
3. **Choose implementation partner(s) with care.** In this case, WFP had excellent Kabul contacts and field presence. The Department of Rations (DoR) had provincial distribution capacity and its work force knew how the distribution system would work. Without WFP’s nationwide logistical and program presence, commodities

would not have been available at short notice. Without DoR warehouses and distribution centers, the food would not have benefited people as rapidly.

4. **Develop a clear and realistic exit plan with the major players and host government before committing support.** Communication of the exit should be constantly repeated to the host government so that USAID is not seen as the unreliable partner.
5. **The guiding programming principle should be less, rather than more, in quantity** and duration to minimize dependency and avoid adverse market impact. The small quantities provided (12.5 Kg of lentils and 5 liters of oil) to about 250,000 people in a nation of over 20 million did not cause a drop in prices and beneficiaries suggest that this assistance may have kept prices stable.

## **I. Background**

Life has not been easy for the Afghan people.

Children and young adults remember little peace, political stability, security or hope. Emerging from a quarter century of regime changes, forced communism, assassinations, factional fighting and Taliban brutality, the great majority of Afghans want and need to rebuild their lives. Doing so means rebuilding their country. Physical assets and infrastructure are destroyed or neglected. Institutional systems are antiquated or weak. The human capital needed to lead Afghanistan and mold the country into a modern state and take its place in the international community is lacking, and the educational system is in such shambles that it will be years before its graduates can contribute in leadership roles. Until that time, Afghanistan will have to depend on the return of Afghans who fled abroad and have the talents currently needed, and on the few well-educated in-country Afghans that managed to stay alive.

Regional jealousies and power struggles continue to simmer. It appears too soon to tell if they will boil over or cool. Taliban sympathizers want revenge in any form. Provincial powers collect taxes but remit little to the central government. With so many problems and so few assets, only time will tell if the new Afghan government led by Hamid Karzai will survive.

The country's civil service must be functional in order to help change the landscape and provide the range of social services intended to benefit the Afghan people. Much of the government workforce disbanded under Taliban pressure. While it could be reassembled in Kabul, in many other areas the former work force had sought refuge along the country's borders or found some jobs by supporting local warlords or performing casual labor. To rebuild its ranks and to engender support for the new government, the Afghan Interim Administration proposed a reinstitution of its food ration supplement as one tool to achieve these objectives. The USG supported this proposal as it too grappled with the massive tasks facing the new government. The United Nations Secretary General's Special Representative to Afghanistan, Mr. Lakhdar Brahimi, requested the World Food Program (WFP) to include a food ration for civil servants in its new Emergency Operation beginning April 1, 2002.

### **The World Food Program Emergency Operation**

When the World Food Program (WFP) launched Emergency Operation (EMOP) 10155.0, Emergency Food Assistance To Afghanistan, the WFP appealed for 543,837 metric tons (MT) of food at an estimated cost of \$285.0 million from the international donor community for the operation to assist an average of 4.8 million beneficiaries/month with a top-end monthly figure of 9.8 million Afghan beneficiaries. The program was to end December 31, 2002, and shift into a protracted recovery and rehabilitation effort at that time. Because of local conditions, however, WFP has extended the EMOP through March 2003.



The emergency appeal includes a special program of food assistance for up to 270,000 Afghan Government civil service employees, excluding military and police forces, for the March - September period. The EMOP describes the purpose of this program component as to directly support efforts by the Interim Afghan Government to re-establish and strengthen the national civil service and maintain stability. While not in the appeal, WFP's final agreement with the Afghan Government included retroactive support from December 22, 2001 – March 1, 2002. As stated in the EMOP: "...WFP will exceptionally support the UN efforts to facilitate the re-establishment of Afghanistan civil service by providing short-term food aid, until September 2002, to Afghan civil servants whose level of salary, when paid, (and they have not been paid for some time) makes them among the poorest people in the world, i.e., an income of one US\$ or less per day."

The Office of Food For Peace (FFP) responded to the WFP appeal with 174,170 MT of commodities, transportation and operational support budgeted at \$101,523,900, or \$583 per metric ton. Of this amount, FFP earmarked 31,050 MT of commodities valued at \$25,418,500 for the civil servant portion of the project. This donation included 20,250 MT of lentils requested by WFP and 10,800 MT of vegetable oil at a cost of \$819 per metric ton due to the mix of commodities being provided. These commodities represent 100 percent of the civil service requirements for the March - September period, plus some 3510 MT of vegetable oil to be provided to teachers after the end of assistance to the other civil service branches.

Food For Peace's support for the civil service salary supplement represented the first time it had consciously provided assistance to a country's entire government workforce. Because of the special nature of this program, FFP requested a rapid review of the program to summarize the program's accomplishments, define any impact that it might have made, and note any significant "lessons learned" for possible future programming guidance.

## **II. The Afghan Civil Servant**

If a government worker lives a life of luxury in Afghanistan, that person is either independently wealthy or is operating outside the parameters of the job. The last recalled civil service pay scale increase is said to have occurred in 1994. With service disrupted by years of war, and with the majority of government workers denied the ability to work by the Taliban, the seemingly guaranteed security traded for low pay did not materialize.

A portion of the civil service work force is illiterate, perhaps one in ten. They sign for their pay using their fingerprint. The remainder of the civil service possesses varying degrees of education, from basic to secondary to university. There is nothing in the way of a pension system. They are dependent on family for support, as are almost all Afghans.

There is little difference in salary as responsibilities grow. A teacher does not make significantly more than a school's cleaning staff. A warehouse clerk and a laborer in that warehouse earn similar salaries. Data suggests that depending on the province, it may be more advantageous for a person to work as a casual laborer than to work in civil service.

### **Folklore...the evolution of the civil servant salary system**

Around 1937 the government workforce began receiving non-cash compensation to supplement their basic salary. Ration books allowed a government worker to receive food and non-food items. As with all government programs, the system grew. Current ration books, printed in the 1990s, tease today's worker with entitlements of 56 Kg of wheat (based on a traditional Afghan measurement of 7 Kg) per month. Other items included in the ration books are wheat flour, sugar, tea, powdered milk, rice, cooking oil, soap, razor blades, and miscellaneous.

At first the commodities were provided free. Then, as time passed, they were sold at subsidized prices. In 1989, the Najibula government reverted to free food/non-food distributions to maintain purchasing power for civil servants. Civil servant salaries ranged from 25,000 AF/month to 45,000 AF/month. In 1992, under the Rabanni government, the system collapsed. The old salaries continued but there was no further food distribution. Civil servants were given transportation and "lunch" money instead. This supplement was valued at 5,000 AF/day for transport and 20,000 AF/day for meals. These items became more valuable than the salary and helped guarantee work attendance.

Between 1992 and 1994, civil servants were also to receive 170,000 – 180,000AFs every three months to purchase food. This supplement was only paid once. The good news for civil servants was that in 1994 they received a general salary scale increase tripling their pay to 75,000 – 135,000 AF/month.

A few years later, the Taliban increased the meal money supplement of the civil servant salary to 40,000 AF/day, and the transportation supplement to 10,000 AF/day even as

they kept women from working and otherwise chased civil servants from their jobs. This basic structure remains in place today.

If the information related by the Director of the Department of Rations is close to accurate, the range of civil service salaries should be as follows:

	<b>Current Salary Range</b>	
<b>Base pay AF/Month</b>	<b>75,000</b>	<b>- 135,000</b>
<b>Meal supplement (40,000AF/day x 26 days/month):</b>	<b>1,040,000</b>	<b>1,040,000</b>
<b>Transport supplement (10,000 x 26 days/month):</b>	<b>260,000</b>	<b>260,000</b>
<b>Total monthly pay:</b>	<b>1,375,000</b>	<b>1,435,000</b>
<b>USD Equivalent @45,000 AF</b>	<b>\$30.55</b>	<b>\$31.89</b>
<b>USD Equivalent @50,000 AF</b>	<b>\$27.50</b>	<b>\$28.70</b>

### **Civil Servant Vulnerability**

How vulnerable is the average civil servant? How much help to the average civil servant was the supplemental food program under the WFP emergency operation? What impact did the program have? Given an imperfect database precise answers are not likely to be forthcoming. Monthly market data submissions by WFP offices, current market prices obtained on field trips, beneficiary responses at distribution sites, discussions with governors and Department of Rations personnel, and discussions with WFP program monitors were used to obtain imperfect but consistent data.

### **Payroll data ... imperfect and tardy**

Table 1 presents Ministry of Finance data on the Civil Service Payroll. The Ministry of Finance Summary is the initial basis for WFP dispatches to Department of Rations warehouses. There are problems with the payroll data that make analysis difficult. The first of these is the timeliness of the payroll data. When meeting with the Ministry of Finance on October 7, they could produce no official payroll lists beyond June. As later noted in Jalalabad and Parwan province, government workers had not been paid since June. Review of the payroll data also shows that Kandahar province has not seen any change in civil service levels since January, a physical impossibility at best.

The second factor that makes it difficult to show what the average civil servant makes is that the payroll disbursement includes retroactive salary payments. Because of late data arriving to Kabul from provinces, or because of the failure of Ministries to follow administrative procedures, new employees are often not on a current payroll list. When finally “official”, the employee is given current and prior monthly salary in one payment. As can be seen in Table 1 from the growth of recognized civil servants, some overestimation of the average monthly wage – at least since April – occurs in the data. A complete list by Ministry and by Province is annexed to this report.

The payroll data shows a fairly level compensation “per employee” for Kabul and the 32 provinces outside Kabul over the January – March period. The individual payment levels begin to increase in April and then rapidly increase in Kabul over the May/June period, with provincial averages showing strong gains as well. The increases are due to back pay.

Civil service staffing has increased from 175,416 people in January to 251,431 people in June. For the first full month of Interim Government, the rolls increased by 28,483 people. The majority of the increase occurred in Kabul reflecting a new government start-up. Civil Service levels outside Kabul remained static until April, when the salary supplement program was announced, and then showed two months of dramatic increases. Kabul staffing levels also increased by 10 percent. The government added 23,548 new staff in April and 19,124 additional staff in May. Another 4,000-plus employees were reflected in the June figures. One cannot be certain why staff increased as dramatically as it did when the salary supplement began, e.g., tardy registration, but according to Afghan Government officials and provincial governors, the reestablishment of the ration book system had much to do with luring civil servants back to their jobs.

**Table 1: Afghan Interim Authority Civil Service Payrolls, January – June 2002**

	<b>Kabul</b>	<b>Provinces</b>	<b>Total</b>
<b>January</b>			
Employees	76,011	99,405	175,416
Payroll-MM AF	105,380.9	112,107.6	217,488.5
Average Payroll	1,386,000	1,127,000	1,239,000
<b>February</b>			
Employees	92,275	111,624	203,899
Payroll-MM AF	124,244.6	127,824.1	252,068.7
Average Payroll	1,346,000	1,145,000	1,236,000
<b>March</b>			
Employees	90,516	113,874	204,390
Payroll-MM AF	119,133.0	129,779.1	248,912.1
Average Payroll	1,316,000	1,139,000	1,217,000
<b>April</b>			
Employees	100,912	127,026	227,938
Payroll-MM AF	137,460.2	155,209.1	292,669.3
Average Payroll	1,362,000	1,221,000	1,283,000
<b>May*</b>			
Employees	104,429	142,633	247,062
Payroll-MM AF	168,748.9	186,959.1	355,708.0
Average Payroll	1,615,000	1,310,000	1,439,000
<b>June*</b>			
Employees	106,562	144,869	251,431
Payroll-MM AF	186,349.7	209,716.6	396,066.3
Average Payroll	1,748,000	1,447,000	1,575,000
<b>Jan-June Ave</b>	<b>1,462,000</b>	<b>1,231,000</b>	<b>1,331,000</b>

\* The monthly payroll includes retroactive payments to workforce

When asked, provincial leaders, the Department of Rations and beneficiaries noted that the workforce was very happy that the ration books were being reactivated. The governors said that the ration book showed the civil servants that the new government was working. Indeed, the beneficiaries were happy to be getting the supplemental rations (they wanted more, of course) and looked forward to the continuance of the program. Kabul Ministers (Commerce, Finance) felt that the ration book was psychologically important to the service.

From the monthly changes in civil service levels and extensive field discussions, it seems that the government objectives of restarting public services and attracting civil servants back to their jobs have succeeded. The salary supplement program has helped this process. There is considerable good will for the new government in the provinces at this time. Relations with provincial governors in Parwan and Nangrahar seem good.

Tardiness of salary payments is an issue in the provinces. In early October, only June salaries had been received in the areas visited, with the exception of Herat City (outlying provinces were said by monitors not to have received their salaries since June). Without correction, the government may well squander the good will it currently enjoys.

### **Should I dig ditches or work for the government?**

Digging ditches for a living has its advantages – good exercise, healthy outdoor climate, less bureaucracy – to name a few. In many areas of Afghanistan, digging ditches or performing other sorts of casual labor may pay better than what the Afghan Government pays the average civil servant. A review of payroll statistics against WFP's monthly survey of casual labor rates (without lunch) supports the view that civil servants are "vulnerable" in that what they earn is often less than a casual labor payment. The caveat here is that the labor market needs to be strong enough to let one seeking daily work to find it on a regular basis. This is probably not always the case.

The comparisons between casual labor rates and civil service salaries are shown in Table 2 below.

Civil servants in Kabul have been fairly secure in showing up to work and not trying to make ends meet by performing day labor. The recent rise in casual labor rates over the June – October period has eroded the civil servant advantage. Herat figures are notably good. However, in other locations such as Jalalabad, the average employee seems considerably disadvantaged. In Kandahar, the figures suggest a real disincentive to work for the government.

Part of the rationale for the civil service salary supplement program was the belief that government workers were just as vulnerable as other Afghan population groups. This rationale makes sense. The government worker is financially squeezed as inflation impacts local prices. It is doubtful if the rank and file has much in the way of assets. In many instances an unskilled day laborer can do as well or better than the public servant.

The ration book helps make the civil service more attractive when there is non-cash compensation added to the salary.

**Table 2: Payroll/employee vs. Daily Casual Labor Rates - AFs**

	Kabul	Jalalabad	Herat	Kandahar
<b>January</b>				
Ave CS Payroll/month	1,386,000	1,081,484	1,467,912	715,403
Casual Labor day rate	43,600	53,335	34,400	24,000
Casual Labor Workdays for CS Pay	31.8	20.3	42.7	29.8
<b>March</b>				
Ave CS Payroll/month	1,316,000	1,163,278	1,314,909	715,403
Casual Labor day rate	47,000	60,000	40,000	50,000
Casual Labor Workdays for CS Pay	28	19.4	32.9	14.3
<b>October</b>				
June CS Ave Payroll.	1,748,000	1,569,807	1,755,804	715,403
Oct Casual labor Rate	80,000	80,000	55,000	55,000
Ave. days/payroll	22	20	32	13

### What does my money buy today?

With little income, and with little prospect for significantly greater income, people become fairly adept at weighing trade-offs. In meetings with beneficiaries in Kabul, Parwan Province, Jalalabad, Kandahar (WFP did the interviewing in Kandahar), and Herat, they were asked if they preferred higher salaries or food supplements.

All responded with a preference for food supplements. When asked why, they offered explanations like “when salaries go up, the merchants will raise their prices”, or “we can’t afford the food, please give us more”. Recognizing that they were in earshot of those distributing the rations, these may be self-serving comments. But in fact the markets do appear thin. If demand for specific commodities increased due to greater purchasing power, prices would probably rise until additional supplies were regularly procured by the street merchants.

WFP’s area offices collect weekly data on the market prices of selected items (wheat, flour, bread, diesel, lamb, casual labor, and street rates for dollar exchange). The data is compiled and summarized by WFP’s Vulnerability Assessment Mapping Unit (VAM). Selected items are shown in Table 3.

Table 3 illustrates the marked increases in costs impacting on the Afghan markets. The devaluation of the AF against the dollar and other foreign exchanges is a major factor for these increases. Afghanistan imports the majority of the goods seen in its markets. Afghanistan is not currently self-sufficient in wheat, and the cost of meat reflects internal

shortages as well. Labor markets reflect these increased living costs and also reflect a tightening in the availability of labor as reconstruction projects begin to unfold.

One can see from Table 3 that the civil servant has been disadvantaged financially since the beginning of the year. When beneficiaries of the salary supplement program say that they prefer receiving food to a salary increase, they are reflecting their concerns about the rapid price increases in markets. And given history, they have good reason to doubt that the government would regularly increase salaries to keep pace with inflation.

**Table 3: Market Price Changes, January – July 2002**

	<b>Kabul</b>	<b>Jalalabad</b>	<b>Herat</b>	<b>Kandahar</b>
<b>Casual Labor</b> Rate/day – January	43,600	53,300	34,400	24,000
October	80,000	80,000	55,000	55,000
% Increase January – October	83%	50%	60%	129%
<b>Wheat</b> – AF/Kg January	3,850	3,755	3,780	2,770
October	8,356	8,385	8,050	6,975
% Increase January – October	117%	123%	113%	152%
<b>Flour</b> – AF/Kg January	5,185	5,065	5,160	3,030
October	10,570	9,675	10,100	8,430
% Increase January – October	104%	91%	96%	178%
<b>Meat:</b> 1 year old lamb January	1,153,000	800,266	1,356,000	590,000
October	2,550,000	1,326,670	2,000,000	2,200,000
% Increase January – October	121%	66%	47%	273%
<b>Exchange Rate</b> AF:\$1.00 January	28,100	30,175	27,100	16,550
March	31,500	33,850	30,900	33,000
June	37,125	37,425	35,500	39,000
2 <sup>nd</sup> week October	53,500	52,975	53,700	47,650
<b>Devaluation</b> January – October	90%	76%	98%	188%

At all distribution sites visited, beneficiaries asked if wheat could be provided like in the “old days”. The weekly data on wheat show that wheat prices have dramatically increased since January. And since the ration book coupons are “worth” 56 Kg of wheat – the main diet staple – civil servants have a deep interest in the prospects of obtaining wheat.

Kandahar data suggests a high level of insecurity may be developing.

## Did the program help the government worker?

Table 4 provides some data proxies on the value of the lentil and oil supplement.

**Table 4: Civil Servant Supplement Values Based on October Market Price**

	Kabul	Jalalabad	Herat	Average
<b>October 7-15 Unit Price</b>				
Lentils (AF/Kg)	12,000	12,500	13,000	12,500
Refined Oil (AF/L)	45,000	43,000	33,000	40,333
Value of <b>12.5 Kg Lentils</b>	150,000 AF	156,250 AF	162,500 AF	156,250 AF
Value of <b>5 Liters of Oil</b>	225,000 AF	215,000 AF	165,000 AF	201,667 AF
<b>Total Value</b>	375,000 AF	371,250 AF	327,500 AF	357,917 AF
October USD Value	\$7.00	\$7.00	\$6.10	\$6.70
Average June Payroll AF	1,748,000	1,569,807	1,755,804	1,575,000
Supplement % Value	21%	24%	19%	23%
Average March Payroll	1,316,000	1,163,278	1,314,909	1,264,735
Supplement % value	28%	32%	25%	28%

It is unfortunate that WFP did not collect data on the costs of cooking oil or pulses at the beginning of the program so a time series could be developed. The current market prices for lentils and refined cooking oil suggest that the commodities boosted employee incomes by 20 – 25 percent in gross, current calculations. If retroactive salary payments are excluded by using March salary data, and assuming that the current prices for these supplemental commodities are fairly representative of the past few months (distributions in the provinces didn't begin until mid-year), the salary supplement impact would be slightly greater.

No matter. Government workers were clearly helped by the program. All beneficiaries at distribution sites said they were very happy with the commodities and their quality. And they EAT these commodities, unlike reports of monetized wheat in some markets. The standard calculation for an Afghan family is 6 people for ration shares. In reality, people say, counting the extended family usually sharing shelter and food raises the food requirement to about 8 people. The food value of these commodities is too great to trade or sell given its small quantity – 2 Kg of lentils per family member per month plus less than one liter of oil per person.



### **III. Food Availability and the Distribution Chain**

Without international donor support (FFP), and without the extensive WFP logistics and transport arrangements in place in Afghanistan, the program would not have worked.

#### **Thin Markets**

As evidenced by the Karzai Government's reliance on international donor and financial institution resources for current survival, and as demonstrated by the need to import almost half of its grain requirements, Afghanistan has neither the full access nor availability of food needed for national food security. Limited employment opportunities, security constraints, and ruined infrastructure work against the hopes for rapid recovery. Household food insecurity will remain a pressing issue for many of Afghanistan's twenty million people.

The decision by the new Afghan Government to jump-start the return of civil service capacity by reducing their current food vulnerabilities was certainly a high-risk political venture. There are no domestic supplies in sufficient quantity to be bought in the markets without severely distorting market prices for pulses and oil or most other commodities. Unless traders and shopkeepers are assured of continued levels of high demand, they will minimize their risks by importing or buying based on their historical sales experience. Used to weekly sales of 50-100 Kg of red beans or split white peas or lentils from a retailer's market stall, wholesalers carefully arrange inventory.

If the program had proposed local cash purchases without significant forward planning with the wholesale trade, there is little doubt that the prices for these commodities would have spiked beyond the means of most Afghans until demand could have been balanced with more imported, rather than home grown, supply. And where will future support come from? Pakistani wheat (50,000 MT) is available to continue the program from November through January 2003, or about three months if 56 Kg per person is distributed, but after that salary supplement resources become murky.

Once announced and negotiated, the civil service salary supplement had the desired impact of helping lure people back to their old jobs as can be evidenced by the monthly increases in civil service ranks since the program began. Beneficiaries feel good about the salary supplement. The government appears to be working.

FFP's rapid procurement and port availability of the required pulses and oil allowed the program the flexibility to begin whenever the Afghan Government was ready. The rapid response by FFP allowed WFP to use existing stocks for the program as needed to satisfy its program commitment with the Afghan Government.

#### **Step by Step**

Having an established system clearly increased the probability for program success. It is likely that the program would only now be getting underway if the Afghan Government

or USAID had to create a new distribution system. Hard-to-reach provinces would be difficult to cover. Even if distribution systems had been in place, once USAID commodities arrived at Afghanistan entry points, arranging for internal deliveries would have been less efficient and effective than use of the WFP trucking network. USAID would probably have had to staff a logistics support monitor to oversee program progress.

WFP uses a number of routes to move commodities into Afghanistan. Between January and September, WFP trucked 429,900 metric tons of food into Afghanistan. The 31,050 metric tons of pulses and oil for the civil service program represents only 7 percent of WFP's commodity imports.

The principal transport route in terms of tonnage is through Karachi to Peshawar and then to Jalalabad (eastern Afghanistan) and to Kabul. Western Afghanistan (Herat Office) is serviced through Iran. Southern Afghanistan is served through Pakistan to Kandahar, while northern Afghanistan receives commodities via Kabul or abutting Central Asian Republics. Backtracking is minimal if at all. WFP's warehouses are orderly with stock cards visible. The WFP warehouse in Jalalabad should get the "Good Housekeeping" seal of approval for cleanliness.

DoR warehouse capability proved adequate-to-good in each province visited. The warehouses ranged from centuries-old structures to reused transport containers. They are well guarded and secured, sealed and locked with witnesses signing their presence when the warehouses are opened. As each distribution point had a past history of providing 56 Kg of wheat to ration book holders, there was ample room for pulse and oil distributions.

WFP provided the DoR with \$5/ton in Kabul and \$6/ton outside Kabul to assure that the DoR had sufficient funds to truck the commodities from its warehouses to its distribution sites. The method of payment was not specified in WFP's agreement with the Afghan Government, so WFP adopted an advance/liquidation of advance process based on the initial truckloads dispatched to each DoR warehouse. WFP dispatch receipts were compared with the DoR's distribution records (the master coupon register summaries) and remaining stocks verified by a monitor to liquidate the advance and issue a new advance for liquidation.

WFP monitors visited distributions as possible. A monitoring questionnaire/form is annexed. Few problems were reported. Beneficiaries were orderly. This was an easy program to manage because of the familiarity by all with the ration book system and assigned distribution sites.

### **Predictable Problems**

At Jalalabad, a first point of entry in Afghanistan, 4 liter oil tins appear to have held up fairly well, with about 1 leaky/ruined tin per every three or four cartons of six tins. After moving from Jalalabad to Kabul, however, damage increases to about one tin per two cartons, or a damage rate of about 8 percent based on visual examination of damaged

cans and cartons. Some oil is recovered in most cases, but FFP is paying a hefty price for damage imparted by the inflexibility of the tins relative to plastic “jerry cans” used by other donors. Additional damage was noted after WFP delivered the oil to DoR warehouses and the DoR transferred the stock to its distribution points.

To reduce damage, FFP had provided WFP with oil in 55 gallon steel drums. Damage (leakage) was minimal according to authorities and as observed in conducting this review. However, USAID markings are NOT clearly visible from any distance due to the blue color of the drums and the black stencils used to mark the drums. The drums also require the beneficiaries to bring their own containers, so the USA cans are not publicly shown. Not only is the oil doled out in a backroom area, but measurement-by-ladle can be sloppy. USAID program visibility is substantially reduced.

The pulses received at the WFP warehouses showed very minor damage. Distribution site number 23 in Kabul did have a few sacks with water damage that were being replaced by WFP.

Once the program began, there were sufficient quantities in stock to meet lower-than-expected initial distribution requirements. As the program continued, WFP did not always have sufficient quantities of both pulses or oil available at all times in all locations for joint delivery and distribution. DoR offices did not appear upset with this type of problem and either (a) stored the commodities until they had sufficient commodities to begin a distribution or (b) distributed one commodity and had a second distribution when the other commodity was available. The current WFP pipeline shows no pulse or oil shortfalls through the remainder of the year.

## **IV. Salary Supplement System**

As noted previously, Afghanistan's salary supplement system began circa 1937/38, when salaries were fairly representative of urban living costs. Government employees received a ration book from their employer with numbered coupons printed inside the book that allowed them to obtain food and non-food items distributed through the Department of Rations (DoR). As years passed, the ration books grew to include wheat, wheat flour, cooking oil, sugar, tea, rice, powdered milk, soap, razor blades, and "miscellaneous" items. The USAID pulses (lentils) currently being provided under the salary supplement program are considered a "miscellaneous" item.

### **The role of the Ministry of Finance**

The key criterion for ration book eligibility is a payroll number assigned by the Ministry of Finance. This process is more easily done in Kabul than in the provinces because of the delays in manually transferring data to Kabul.

International donors and financial institutions doubted the capacity of the Interim Afghan Government to handle and account for the many donations and grants being promised to Afghanistan. Donors supported the establishment of a Trust Fund, administered by the UNDP, to approve disbursements by the government. Included among the disbursements requiring UNDP signature were disbursements for recurring costs such as payroll. The UNDP checked the arithmetic accuracy of the numbers and authorized payroll disbursements from the Trust Fund. Since June, this responsibility was passed to the World Bank as part of its Afghanistan Reconstruction Trust Fund responsibilities.

Based on discussion with the Adam Smith Institute, salary payroll data is centralized in Kabul under the Ministry of Finance. Each government Ministry or provincial Department fills out an "M-41" payroll form certified for payment by the head of the organization. Outside of Kabul, the M-41 forms are summarized in an "M-16" form that the Ministry of Finance's provincial unit sends to Kabul. The M-16s are reviewed in the Ministry of Finance and salary payments are either approved or denied. Once approved, money was transferred to the appropriate central Ministry or provincial unit for disbursement to each employee.

### **Checks and balances: The role of the Department of Rations**

All civil servants receiving a salary are eligible to annually receive a ration book. The ration books are controlled by the Department of Rations who allot them to employees. The sponsoring organization and the employee provide the DoR with employment data such as name, role in organization, age, ID card, etc. Employee information and the ration book number are recorded in a general ledger. Payroll records are available at the DoR and crosschecked against the employee name and ID.

The owner of the ration book is assigned a specific distribution point. That distribution point is followed in a sub-ledger containing the general ledger information for the civil

servants assigned to that location, generally numbering 1,500-3,000 people. The book owner goes to its assigned distribution site (named in the coupon book) for distribution pick-up. After presenting the ration book, a clerk checks the civil servant's name and ID for eligibility against a copy of the local ledger maintained at the site. Eligibility is verified by review of prior distributions to the individual, so that "double-dipping" is made extremely difficult if not impossible. Once eligibility for the ration is cleared, the clerk passes the coupon book to the location manager who clips the appropriate numbered coupons from the book, signs the coupons, and permits a third individual to begin dispensing the commodities. The civil servant collects the commodities, retrieves the ration book, and heads off.

The coupons are gathered daily at each site. Each torn coupon has the coupon book number plus the signature of the DoR person approving the distribution. Each coupon is pasted with others on sheets of paper and returned to the DoR center. They are recorded under the proper names/accounts on the master register (general ledger). Prior to returning the coupons, the local distribution manager posts his own accounting of coupon receipts. When the pasted coupons are given over to the DoR office, each party signs off on the transfer and number of coupons.

The allocation of commodities to any particular site is based on multiplying the number of people assigned to receive commodities at the site by the amount of each commodity entitlement. At the end of the day, clipped coupons are also used to calculate stock balances at each site and serve as a credit for commodities given to each distribution site. Unexplained losses come out of the hides of the distribution managers (so they say). Commodity losses are hard to discover until most beneficiaries have visited the site, because these distributions are based on weight. The distribution sites immediately contacted WFP if commodities were damaged (leaky oil tins) for replacement.

## **On to WFP**

The key documents for WFP are the salary payment totals by the Ministry of Finance. Once provided with the salary summaries by province, WFP could review inventories in each region and calculate shortages/adequacy of stocks. Dispatch requirements were based on the number of people receiving salaries times the size of the ration each was to receive.

WFP is also factoring a second iteration of this process into the tonnage calculations. WFP's final agreement with the Afghan Government provided for retroactive supplements to employees on the rolls after December 22 if sufficient commodities were available. Another iteration of retroactivity is introduced by the system itself. Late registration of employees meant that they would not show up on the salary payment list their first month of employment. Once shown that an employee has finally received salary for a prior month, WFP is to provide commodities to the DoR for the prior month(s) up to a maximum of 270,000 rations per month, or 1.62 million rations over the April – September period.

In order to jump-start the program, WFP's first two commodity dispatches were based on verbal estimates of employee numbers. When actual numbers came out, the tonnage dispatched was compared with actual needs and the underage or overage amounts tabulated. WFP convinced the government that it would be logical and more beneficial to employees to make up any "missed" distributions after the September (project end date) dispatch when final salary rolls could be reviewed. Given the last official employee roll numbers, it appears that the USAID commodity contribution was more than adequate and should be sufficient to cover the program arrearages to employees who have not received all their entitled distributions.

### **The ration book system works but...**

The elaborately simple but labor-intensive system makes it extremely difficult for a beneficiary to take advantage of the ration book distributions. The administration of the system can open it up to abuse if there are conscious decisions to "bend the rules". The extent of any intent to allow exceptions to the process could not be explored. The major program weakness appears to be slow payroll performance by the Ministry of Finance in Kabul in (a) enrolling new employees on the books and (b) remitting payments to some regions, possibly due to late payroll submission by the provincial authorities.

Whatever the causes, issues arise when a person has been actively working in a government unit and that unit has forwarded a salary payment request. On good faith, or possibly upon receiving orders, the DoR registers the person and provides a ration book. If no salary payment has been received and recorded by the DoR, that person should not receive their supplement. In Ghor, the governor has ordered the DoR to provide temporary supplements to 300 workers on the local payroll awaiting salaries from Kabul (as of early October, no salaries had been paid in Ghor since June). This is being accomplished by shorting the eligible beneficiaries by 0.5 Kg on pulses and 1 liter of vegetable oil. The shortage will theoretically be repaid out of Ghor's final distribution.

Each area visited described problems of late salary payments from the Ministry of Finance and the hardship it caused employees. There was suggestion of leniency in distributing the supplement by local authorities, as the rules of the process agreed to between WFP and the Afghan Government allow for retroactive distributions to employees awaiting salary payments from the Ministry of Finance. While WFP only dispatched the commodities based on MoF employee numbers, after-action reviews of the DoR ledgers to see if new employees pending Kabul recognition received rations would overwhelm its monitoring capability.

From all the evidence and following of the process, the logistical elements of the program worked as designed and it is doubtful if people not currently employed or pending salary payments benefited from the supplement. Manipulation of the system did not appear to be significant or systematic.

## **V. Looking Ahead**

The WFP program, designed to help stabilize and strengthen the government, seems to have been timely and effective. The six month duration originally contemplated was stretched by an agreement to make the program retroactive to January. Sufficient additional commodities were on hand to cover the January – March period.

There are those in the Afghan Government who want the USG to continue support for this program. If future assistance should be requested, the program objective would have to change from helping to strengthen and stabilize the government to one of social safety net protection for civil service employees. It would be cleaner to provide bilateral assistance – either cash or food – to the government and allow some of that assistance to be used for civil service support if the USG is favorably inclined to respond to new Afghan Government requests. This would mean, however, that USAID would need to design a monitoring system.

The type of food provided and the amount of food per civil servant was on target. Pulses and oil, appropriate in the Afghan diet as complements to wheat-based products, were indeed supplementary, and the beneficiaries vocally advocated for basic grain support. The quantity provided – 12.5 Kg of lentils and 5 liters of oil - was about right as a supplement. The Afghan immediate family is pegged at 6 persons, which would provide each person 2 Kg of pulses per month or a little over 2 ounces per day. The oil ration was fine except for the distribution problems caused by having 4 liter oil tins distributed against an agreement to provide 5 liters per civil servant. Distributing one tin per person would have worked easier and the beneficiaries would not have complained. For both pulses and oil, all judged the quality to be very good.

The six month program design was adequate, benefiting from an established system. Time needed to mobilize and make sure a system will work greatly influences program timelines. Although the program is closed, the final commodity distributions will continue to occur as late salary payments are received and the final September lists are reconfirmed. Future programs of this type should allow for a planning/mobilization process at least equivalent to the time required to make commodities available. If there is no established logistics/distribution system in a country, this type of program will likely struggle to achieve program objectives.

USAID and WFP have discussed extending the supplement for teachers. It would probably not be wise to do so using the DoR system. Other Ministries and provincial Departments clearly resent targeting one class of civil servant. If the teachers had to come to a Department of Rations distribution site, they could be at risk of verbal abuse or worse. If the Department of Rations had to keep additional commodities in their stores solely for the teachers, it is likely that some of the commodities would be siphoned off. If an extra teacher's incentive is planned, it should be as part of some other distribution mechanism, such as Ministry/Department of Education trucks picking up commodity at WFP warehouses. Also, schools are not maintained or managed by teachers so it would probably be advisable to include some support for school staff to "keep the peace".

The most surprising outcome from the program was civil service preference for food to cash. This may not be the case for most vulnerable Afghans, but the civil servant felt that the food supplement neutralized the rising costs of food. They strongly doubted that salary payments would keep pace with inflation or be as regular as food distribution opportunities.

Although open to debate, importing the commodities may have also allowed vulnerable Afghans outside of the civil service to buy pulses and oil in reasonable quantities at lower prices. Street markets do not maintain significant inventory, and wholesalers balance their supplies with demand and with their ability to keep the commodity edible. Local procurement could have had the short-term impact of raising market prices and squeezing out some vulnerable people.



## **Annex 1: Ministerial Meetings**

Ministry of Finance Meeting  
Ministry of Commerce Meeting  
Department of Rations Chairman Meeting

## **Annex 1: Ministerial Meetings**

### **Minister of Commerce**

Minister of Commerce Syed Mustafa Kazimi has responsibility for management of the Department of Rations as part of his portfolio. He was asked what the program meant for the Karzi Government. He replied that the program was essential to convey to the Afghan society that the new government could work. The government has an obligation to provide social services and to do so it needs dedicated civil servants. The ration book supplements which WFP and USAID supported had been instrumental in recruiting civil servants back from Pakistan and from “warlords”.

Civil servants are poorly paid, he concluded. The food supplement would help them make ends meet. He hoped that the USG would continue its support for this essential program.

The Chairman of the Department of Rations expressed his hope that the USG would not only continue its support for the program but also add to it. Wheat was the backbone of the ration book system, he explained, and the provision of wheat would ensure that the civil servant knew that the government was again taking care of its people.

### **Minister of Finance**

Minister of Finance Ashraf Gani met to discuss the Civil Service Salary Supplement Program. He was asked what his vision was for the new Afghan Civil Service, as the current compensation structure of low wage and non-cash support would probably not be appropriate for an Afghanistan looking to project itself in the international marketplace.

He agreed that reforms were needed. His perception was that the current structure was bloated and antiquated. He hoped that within two years, the government would begin to implement a new civil service structure where there would be four categories of personnel: executive, managerial, administrative, and laborers. Each level would need a salary/compensation package that would insulate them from bribery and other distractions caused by the low salary levels in place today. For example, the executives would be paid on a par with expatriate personnel, the managerial group on a par with NGOs (not PVOs), and the rank and file would be on a par with private sector laborers.

This is impossible today, he admitted. Any attempts to downsize the civil service today would create a “revolution” and possibly force out the government. Time was needed to put the framework of a new system in place and set up a severance program (training and x months on payroll to get a new job) that would begin to strengthen the capability of the civil service and move them from poverty.

He believed that with the current wages of about \$1/day, the average CS employee was extremely poor and, as per “Sue Lautze”, one of the most vulnerable groups in the

country. The current wage rates were established some 20 years ago, and have not changed.

He stated that a continuation of US support to the CS program was needed through this calendar year, or next March, to see the government through this rough time.

**Adam Smith Institute (for World Bank)**

Operating in the Ministry of Finance, the Adam Smith Institute was contracted by the IBRD to develop a personnel system for the new government. One of the roles of the ASI is to assist the Ministry of Finance to improve its payroll accounting process. As the UNDP validated the Afghan Interim Authority's payroll for donors, the ADI is performing a similar function for the Afghan Reconstruction Trust Fund.

They discussed the difficulties of the current manual system. However, they did not believe that there was any significant or systematic cheating or skimming of monies in play. Ghost workers might be on a few payrolls, but very few. The most significant problem was the lack of meaningful work, and lack of skills. As per the Minister, they suspected that there were more employed government workers than needed.

They believed that at the salary levels being paid, the government workers were very vulnerable. For example, it would take almost one month's average salary to buy meat for their family. (Average extended family size eating rations is about 8 people). Most would live on bread, tea, and pulses.

## **Annex 2: Provincial Reviews**

Parwan Province review

Jalalabad & Nangahar Province Review

Herat Review

Kandahar Review

## **Annex 2: Provincial reviews**

### **Parwan Province**

Parwan Province is a small province north/northwest of Kabul. The center of government is Charikar. The salary supplement program was discussed with the province governor, Mohamad Anan Amin, a former troop commander who fought the Taliban throughout its governance.

The governor expressed the view that the effort by the central government to support its civil service by recreating the salary supplement coupon for food is something that considerably helped the morale of the people. He stated that it created the perception that the government was trying to do something for its people and has been helpful in building trust between the government and the provinces. He expressed the hope that this type of program could continue.

The governor noted that the civil service is poor and very vulnerable to economic shock. Salaries are very low, and the food received under the program has significant value, perhaps more value than the salaries. Since January, the workers have received salaries for the first six months of the new central government but, so far, they have not received any salaries since June. In fact, the coupon books have been a blessing as food has continued to be distributed (due to late program start-up).

The discussion ended with the governor asking that the program continue, allowing time for the central government to grow stronger and provide better management and services.

**DoR Charikar:** The Department of Rations is located at the entrance of Charikar on the road from Kabul. A portion of its office space was being used as storage for a shipment of 403 MT of lentils received from Kabul. A warehouse across its compound housed the majority of the lentils and cooking oil in 10 liter jerry cans supplied from Denmark. The required oil supply of 150 MT had not yet been received from Kabul, so there was insufficient oil for distribution. No stock cards were being used.

Charikar has four distribution sites. One is located on the DoR compound. It is small and does not have space for more than small quantities of commodity. 10 liters of oil were being distributed for the June-July period. The 10 liter plastic jerry cans were much preferred over the US tins for their durability and ease of handling.

We entered and visited a second distribution site in the center of town and had an outside look at a third site. All sites were crowded, with an average of 30+ people awaiting their opportunity to receive oil. A windshield spot-check of sales stalls displaying their wares revealed no evidence of donated containers. The average price per liter of cooking oil in Charikar appeared to be 50,000 AF. Lentils appeared to have a market value of 50,000-60,000 AF for 7 kilo lots, or about 8,000 AF/Kg.

The sentiment from the beneficiaries was typical. All thanked WFP and the US for the food (they all seemed to know that it was from the US). They all indicated that it wasn't very much and was insufficient to feed their families. They all asked if it were possible to provide more, especially wheat. The majority wanted tea and sugar as well as non-food items, such as was the practice in years past.

### **Jalalabad (Nangrahar Province)**

Distributions were reviewed in Jalalabad (Nangrahar Province) and discussions about the program were held with WFP, the DoR, beneficiaries, and the Province Acting Governor.

The program was to start in April, covering the December 22-January period. The distribution was delayed until May, although the commodities were available, because of a failure of Kabul Ministry of Finance to pay salaries to all the Civil Servants whose names had been submitted. Once resolved, 8,414 government workers received 12.5 Kg of lentils and 5 liters of oil.

A second distribution took place in June, covering February and March, a third distribution covering the April-June period occurred in August, with a fourth distribution covering July-August conducted in mid September. A current distribution now underway was for the month of September, although the DoR and WFP will stagger the distributions to allow carry-over into next month.

A major operational problem with the US donation was the program's 5 liter ration size as the US oil is provided in four liter cans. The Jalalabad officials' solution was to provide an additional can of oil to every fourth beneficiary so that the first three and the fourth could work out their splits.

Separate discussions with the Acting Governor and with DoR representatives from the four provinces of Nangrahar, Kunar, Laghman, and Nooristan emphasized the importance of the program to the central government. Abdel Rezak Pacha, the Jalalabad head of the DoR, noted that the last salary payment received by the government workforce was in June. Their only compensation has been the ration book distributions to those who last received salary checks, thanks to the WFP office. This statement was later reconfirmed with a variety of beneficiaries at the randomly chosen distribution sites.

### **City of Herat**

WFP covers four provinces in Western Afghanistan: Herat, Badghis, Farah, and Ghor. The regional population is estimated at 2.7 million, with Herat encompassing 1.2 million with the central city itself having an estimated 0.45 million people. At latest count, WFP has provided assistance to some 1.7 million beneficiaries in the region, or about two-thirds of the population. Using an estimated, average family size of six, the civil service salary supplement program represents about 6 percent of WFP's beneficiary caseload.

WFP began dispatching commodities for this program in June to 13,785 civil service employees of which 7,883 were in Herat. The commodities covered the January-April period. The second distribution occurred in September covering 14,386 beneficiaries and covered the months of May and June. A third distribution covering July-August began at the end of September and rations were provided for 16,846 government workers. A final distribution will occur at the end of October. 1,546 MT of pulses and 573 MT of vegetable oil have been dispatched by WFP for this program. Civil service tonnage represents less than 2 percent of the 111,516 MT dispatched by WFP for the region over the January – September period.

In discussions with WFP and the head of the Herat DoR, Mr. Hadji Abdul Karim, Mr. Abdul Karim noted that they had learned of the program directly from Kabul. Details of the program were provided by WFP. WFP had to inform the other province heads of the program. Unlike the situation found in Parwan and Nangahar Provinces, Herat civil servants have been paid through September whereas the other province workers had only received salaries through June. Disputes continued with the Ministry of Finance in Kabul, however, as Ghor province had 300 workers on their payroll unrecognized by Kabul and Herat had sent the names of some 3,200 additional employees to the Ministry of Finance in Kabul for salary payments that had not yet been recognized.

Beneficiaries collecting their supplementary rations at the Herat distribution sites confirmed that they had been paid through September.

Mr. Abdul Karim and staff stated that until the beginning of this program, the last distributions of food and miscellaneous items to the civil service had been sometime in 1994-1995. Through the wars and Taliban period, the majority of civil service personnel had left their work (no salaries, etc.) and engaged in other activities. Indeed, the Taliban had chased them off. With order somewhat restored, and the new government attempting to rebuild services, some people had returned to their old jobs. Reinstitution of the coupon book supplement program was a good morale booster and evidence of the sincerity of the new government.

Mr. Abdul Karim, as in all the provinces, stressed the importance of the salary supplements. He noted that the last modest wage increase occurred in 1992. The salaries were low to begin with, and there had been few increases since the 1970's. Living costs had increased dramatically over the ensuing years. His statement tracked with prior acknowledgements of the abysmal level of civil servant salaries.

The current rate for casual labor in Herat is about 60,000 AFs/day, or approximately \$1.35. Assuming 25 days of work, casual laborers earn 1.5 million AFs in a month, or about \$33/month. This would be (similar/more/less) than the average salary paid to the government work force in Herat. (Check summaries in Kabul papers).

In bits and pieces of conversation with male and female beneficiaries at the distribution sites, it was evident that the beneficiaries are pleased to be getting the food supplement and that they felt good about the program. Unlike the other provinces visited, the

beneficiaries were less vocal about the need for wheat, asking instead for sugar and tea. No one seemed to know that the assistance was ending in the near future. Questions on this point were redirected to the DoR when beneficiaries were told that continuation was up to the Afghan authorities.

Herat discussions reconfirmed that the Kabul government greatly benefited by restarting this program. The political benefit has also accrued to WFP, the direct provider of the commodities to the DoR, and to the US from those receiving the commodities.

The average immediate family size is about 6.4 people. About 8 people per household are consuming the rations when other relatives staying with the family are included. The supplement is providing about a quarter pound of pulses and a few tablespoons of oil to a family member on a daily basis. The commodities are eaten, not traded or sold.

Recipients expressed gratitude and content with the commodities provided and repeatedly asked if the assistance would continue. The commodities have helped the worker's families. Two female teachers from a girl's school said to have 3,000 students and about 60 teachers thanked us for the food.

It was disappointing in Herat to note that the distribution sites had no signage indicating where the commodities came from. Those who were literate and know some English saw from the oil tins that the oil is from the US. Others who could read the pulse bags saw that the pulses are from the US. The illiterate did not know the source of the commodities except that they came from international donors. The DoR promised to prominently display signs that the commodities were from the American people at their next, and last, distribution cycle under this program.

As in other program areas, the 4 liter vegetable oil cans posed a problem for the prescribed 5 liter ration. The DoR resolved the problem by pouring some of the oil into a bucket and ladling the extra liter into a container brought by the beneficiary.

### **Kabul Province**

A visit to the two major DoR warehouses in Kabul demonstrated that the US 4 liter oil cans had a great deal of difficulty with the road to Kabul from Jalalabad. Smashed or leaky oil cans lined the warehouse walls. About half of the oil from the bad cans had been reconstituted in plastic jerry cans. USAID stickers had been affixed to the cans.

The DoR had 55-gallon oil drums stocked outside of their warehouses. They thought that they would not have any trouble loading the drums onto pick-ups and distributing the 5 liters into containers being brought by the beneficiaries. The drums do not provide much in the way of publicity for the US as the black stenciling on the blue drums does not stand out. And by using the beneficiary's own container the publicity gained with the 4 liter cans is lost.

Six distribution sites were chosen at random out of the 34 distribution sites (excluding Ministry locations) to check distribution processes. After visiting a site, the next site was



chosen so that there was no chance for staging distributions. Sites ranged from freestanding structures to transit containers and small stores.

All sites had the commodities in full view of the beneficiary. They all seemed to know that the sacks and oil cans said “USA”, and they thanked the USA for providing the commodities. Almost all workers asked if wheat could be provided (at a market price of about 5000 AFs per kilo and an allowance of 56 kilos, they would be receiving a cash equivalent of about 280,000 AFs).

They all liked the commodities, although some said that they had problems eating lentils every day. They liked the oil quality. Some said that the US should not withdraw its support after they were told that the program’s US support ended in September.

Each site visited was handling between 2,000 and 3,000 people. The small sizes of some locations meant that the DoR had to restock some of the sites at about two-week intervals. Some pulse bags were water-damaged at one location, but this was not a significant problem and it appeared to be limited to only a few sites according to the DoR representatives traveling with us. Presumably, the problem occurred with some poorly stacked bags on damp ground.

All sites were well organized. Only a handful of women were at the different sites. They said that the quality of the food was very good.

### **Kandahar**

WFP/Kandahar Meeting with the Department of Ration (DoR) on 15 Oct.

Participants: Aline Mutagorama Head of Program, Barry Maylar Reports Officer, Mangal - Focal point for CS program & Director of Department of Rations

WFP staff held a meeting with the Head of DoR on 15 Oct. 02, regarding the effects of CS program and the consequences if the program stopped or only continued with certain employees of the government, e.g. the teachers. The outcome of the meeting is as follows:

#### Economic benefits of the CS program:

- ◆ It puts food on the table for around 13,000 civil servants and their families.
- ◆ It brings food prices in the market down to an affordable level for most people.
- ◆ If the program is stopped, food prices may hike up, and most people will not be able to purchase the food needed for a healthy life.
- ◆ Also, the government reported that since some people have learned that WFP may discontinue the CS program, private businesses have started stockpiling imported food, which they intend to release to the market when the price of food goes up after the discontinuation of the CS program.

Political benefits of the CS program:

Although the International Community donates the food, the government distributes it to the civil servants. Every government has certain functions to perform: to protect, to feed to shelter, etc. Since the government is involved in the management of the CS program, the CS program is helping in stabilizing the government. For example,

- ◆ Since the food is channeled through the government, the beneficiaries see this as if the government were providing food to its people. Thus, the government receives the credit for the assistance.
- ◆ Since the government is managing the food distribution, people see the government fulfilling its duty of helping the poor. In other words, the government is considered as an entity that is capable of fulfilling its obligations the public. This strengthens the belief and trust of people in the government.
- ◆ When the government is considered, capable and functional, people respect it, and obey the rules and regulations constituted by the government. This helps to stabilize the government and the general security situation.
- ◆ If the program is discontinued, the government will not be in the position to help the needy CS. And the public may well lose their trust and belief in the validity of the government, which may result in political and security turmoil.
- ◆ If food is provided to a certain group of civil servants, e.g. the teachers, this may be interpreted as discrimination against employees of other departments.

**Suggestions/Recommendations by the government:**

Because of the economic hardship caused by the protracted war and continuous and recurrent drought, the Southern Area desperately needs economic assistance. Therefore,

- ◆ The CS program should be extended, not stopped.
- ◆ The program should be expanded to include newly recruited government employees, most of whom are women.
- ◆ The program should also be expanded to include food items, such as wheat flour, rice, sugar and tea. Up to about ten years ago, the government used to provide a subsidized ration to the civil servants, which included 12 food and non-food items (wheat flour, rice, oil, tea, sugar, soap, shaving blades, etc.). This was a very good way of supplementing the salary of civil servants. If possible, WFP should pursue this strategy to help the civil servants and thus the government.

### **Annex 3: World Food Programme Memorandum of Understanding**



## WORLD FOOD PROGRAMME MEMORANDUM OF UNDERSTANDING

### Introduction

This agreement is made between:

1. The Department of Rations of the Ministry of Commerce (DoR)
2. The Ministry of Finance (MoF)
3. The World Food Programme Afghanistan Country Office (WFP)

### 1 Objectives, activities, and basic procedures

- 1.1 The objective is to provide food rations as partial payment of wages to civil servants (including teachers and excluding military personnel) registered on the payroll of their respective Line Ministries and approved by the Ministry of Finance/UNDP, in all provinces of Afghanistan, up to a maximum number of 270,000 civil servants.
- 1.2 This agreement supersedes the previous agreement of 20 February 2001, which provided only for civil servants in Kabul Province and whose number is included in the maximum figure of 270,000, as quoted in clause 1.1.
- 1.3 With the proviso that the International Community commits food resources to WFP, food rations provided by WFP will be exchanged for food coupons distributed by the DoR, under the terms outlined below.
- 1.4 Distributions will be made according to the following ration scale(s):
  - Jaddi - Hoot (22 December - 20 March 2002):  
12.5 kg pulses and approximately 5 litres of vegetable oil per person per month.
  - Hamal - Sunbula (21 March - 21 September 2002):  
Ration as above plus 0.5 kg tea per person per month, subject to donation of the commodity to WFP.
- 1.5 If adherence to these ration scales should prove to be impossible at any time, for any reason, the DoR will consult with WFP to agree on temporary solutions, or other corrective action.
- 1.6 Distribution will occur on a bi-monthly basis.
- 1.7 Retroactive payments for civil servants registered in provinces outside Kabul, or for civil servants within Kabul Province, who did not receive rations for the months of January and February, or for those civil servants who are registered after the date of the signing of this agreement (with the proviso that their total number does not exceed 270,000) will be made according to the quantity of food available. In the event of shortages, only the monthly allocation will be released. The retroactive balance remaining will be paid if a sufficient quantity of commodities are received prior to the close of the current WFP Emergency Operation (10155.0).

### 2 Obligations of the Department of Rations (DoR)

- 2.1 The DoR will assume full responsibility for the implementation of the programme.
- 2.2 The DoR will distribute ration coupons to civil servants in appropriate provinces in advance of the proposed dates of distribution and assign coupon booklets to individual civil servants based only on the payroll approved by the MoF/UNDP.
- 2.3 The DoR will maintain a close relationship with the MoF, ensure that they possess the most recent civil servant figures (subject to communication of approved figures by UNDP) throughout the duration of the programme and supply these figures to WFP on a weekly basis for the purpose of information.
- 2.4 The DoR will provide a written request for food commodities to WFP on a bi-monthly basis, detailing the number of civil servants registered in each province and the quantity of commodities required in MT (as per the terms stipulated in 1.4), at least two weeks in advance of the intended date of distribution and based on the most recent civil servant payroll approved by the MoF/UNDP.
- 2.5 A final call-forward of commodities will be made by the Department of Rations during the month of *Sunbula* (22 August- 21 September 2002), covering the ration requirement for the



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- final month of distribution and any outstanding requirement for retroactive distribution. Therefore, no further call-forward will be made by the DoR or accepted by WFP.
- 2.6 The DoR is responsible for coordinating its provincial departments in order to implement the programme, and for identifying Final Delivery Points (FDPs) in each province.
- 2.7 The DoR will arrange all necessary off-loading, storage and handling of commodities and the final distribution to the target beneficiaries, including tertiary transport, taking all reasonable measures to ensure that the commodities reach the intended beneficiaries in good condition and with a minimum of loss. To this end, the DoR will provide suitably qualified personnel and other means necessary for the implementation, supervision and monitoring of these operations.
- 2.8 Repair costs for warehouses/marghazas will be the responsibility of the DoR.
- 2.9 The DoR will account for the cash released by WFP for the implementation of the programme and is responsible for the overall management of resources.
- 2.10 The DoR accepts responsibility for distributing cash resources supplied by WFP to all provincial departments to cover operating costs, according to the terms of this agreement.
- 2.11 Upon signature of this contract, an advance of funds to cover a 2-month distribution plan can be requested by the DoR. Subsequent payment will be processed contingent upon receipt of distribution reports from the DoR and an invoice requesting the release of funds from WFP. Authorized currency for reimbursement is the US Dollar.
- 2.12 All relevant financial documentation must be kept by the DoR for a minimum of 3 years after the completion of project to facilitate audit exercises by WFP.
- 2.13 The DoR will submit a bi-monthly report to WFP, detailing the number of civil servants receiving assistance; the quantities of commodities received, distributed and remaining on hand; any losses (with reasons) and the receipt and use of any non-food inputs supplied through WFP. The report should include a monthly financial statement to indicate the breakdown of funds utilised.
- 2.14 In case of doubts concerning the quality/condition of any WFP-supplied commodity, the DoR will consult with WFP before taking any action regarding the future utilization of the commodities.
- 2.15 The DoR is responsible for all publicity relating to the programme including dissemination of information regarding the ration sizes and distribution modalities.
- 2.16 The DoR projects supported by WFP shall not include any activities to promote a specific religious belief, partisan political view or ethnic segregation.
- 3 Obligations of the Ministry of Finance (MoF)**
- 3.1 The MoF will supply updated lists of civil servants registered on the central payroll, as approved by UNDP, to the DoR and WFP on a regular basis or when requested.
- 4 Obligations of WFP**
- 4.1 WFP will release food commodities to the DoR at the Final Delivery Points(s) specified by the DoR.
- 4.2 The transporting of the food commodities to the designated FDPs will be arranged and paid for by WFP.
- 4.3 The DoR will be compensated by WFP at a fixed rate of \$5 per metric ton for Kabul Province and \$6 per metric ton for provinces outside Kabul. This payment will cover all operating costs for distribution including tertiary transport, storage, handling and administrative requirements (and stationery) for distribution to the provinces.
- 4.4 Upon the instruction of the DoR, a fixed-rate payment will be released by WFP to provincial treasuries to cover all operational costs. Where no such system is available, the payment will be released to the DoR in Kabul for distribution to the provinces. In this instance, WFP will inform respective provincial departments of the DoR (in writing) of the amount of cash that has been released to the DoR in Kabul, for utilization.
- 4.5 All food and cash release notes will be copied to the MoF for purposes of accountability.



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**5 General conditions**

- 5.1 WFP staff must be given free and unhindered access to monitor all stages of the implementation process of the programme on a random basis.
- 5.2 The DoR is liable to return any food provided which is not distributed in accordance with the provisions of this agreement.
- 5.3 The personnel of the DoR do not have the status of staff members or employees of WFP or the United Nations and WFP will accept no responsibility for their death or disability, whether related or not to subject matter of this agreement.
- 5.4 This terms and provisions of this agreement may be modified by mutual agreement at any time through an exchange of letters.
- 5.5 This agreement can be terminated following a period of one month's notice by either party, in the event of non-compliance with the specified terms and conditions, if after negotiation such action cannot be reconciled. It may be suspended or terminated with immediate effect by mutual agreement in the event of *force majeure* recognized by the WFP Country Director.

Signed:

For the DOR

.....  
Name: Mr. Sayed Hashim Hashimi  
Title: Head of Department of Rations  
Date: 8 May 2002

For the MoF

.....  
Name: Mr. Sami Wali  
Title: Ministerial Advisor and acting Deputy Minister  
Date: 8 May 2002

For WFP

.....  
Name: Mr. Burkard Oberle  
Title: Country Director, WFP Afghanistan  
Date: 8 May 2002

## **Annex 4: Monitoring Checklist for Salary Supplement Program**

# MONITORING CHECKLIST - CIVIL SERVANTS' SALARY SUPPLEMENTS

General Information		Project number: AFG/CD/ALL/127/2002/10/1/1601/2001/2401/801/1101			Date of Visit:	Last Visit:	Remarks
District:		Village:		Distribution Center:			
DoR Department:		Area Office:		Month (s) of distribution:			
Monitoring	1- DOR project supervisor interviewed?	Yes	No	NA			
	2- Beneficiaries interviewed? (random sample)						
	3- Time spent at the work site: (in minutes)						
	4- Is the distribution procedure orderly?						
	5- Adequate storage conditions?						
	6- Does the physical stock tally with the stock balance?						
	7- Evidence of leakage/misappropriation of resources?						
	8- Are the beneficiaries on the list of civil servants at the distribution centre?						
	9- Does the beneficiary have a ration coupon book?						
	10- Is the ration coupon book registered in his or her name?						
Beneficiary Contact	11- Is the coupon book assigned to the distribution centre?						
	12- Has the ration coupon(s) been removed from the book?						
	13- Beneficiaries sign/leave thumbprint <i>after</i> receiving food?						
	14- Beneficiaries aware of their entitlement?						
	15- Beneficiaries receive their entitlement?						
Rating	16- Monitor	Good	Fair	Poor			
	17- Resources						
	18- Implementation						
	19- Beneficiaries						
Action	20- Follow up action to be taken	Yes	No	NA			

Monitor Signature \_\_\_\_\_  
AO/OIC Signature \_\_\_\_\_

Date \_\_\_\_\_  
Date \_\_\_\_\_



## **Annex 5: Ministry of Finance Salary Payments**

**AFGHANISTAN INTERIM AUTHORITY TRUST FUND**  
**CIVIL SERVICE PAYROLL COVERAGE**  
**PERIOD 22 DECEMBER-21 JANUARY 2002**  
**(MONTH 1)**

as of 31 July 2002

MINISTRY/STATE INSTITUTION	No. of Staff	Payment in AFS
<b>I- KABUL</b>		
ADMINISTRATIVE AFFAIRS	872	1,305,903,890
AGRICULTURE	1,408	1,844,621,987
ATTORNEY GENERAL	928	1,428,464,007
BORDER AFFAIRS	421	574,834,639
CARTOGRAPHY	308	442,629,157
CENTRAL AND OTHER BANKS	2,474	3,949,938,457
CENTRAL STATISTICS	524	719,189,519
CITY CONSTRUCTION	526	761,113,453
CIVIL AVIATION	540	1,430,853,406
CHAMBER OF COMMERCE	124	559,022,944
COMMERCE	2,854	4,009,492,087
COMMUNICATIONS	2,079	2,930,116,335
COMPUTER CENTER	36	48,719,532
DEFENSE-CIVILIAN EMP	4,098	5,055,342,592
DRUG CONTROL	48	65,654,700
EDUCATION	10,579	13,500,475,789
EDUCATION-SCHOOLS	5,500	7,124,695,088
FINANCE	1,510	2,061,299,201
FOREIGN AFFAIRS	353	515,653,197
HAJJ	372	454,283,882
HIGH COURT	882	1,227,522,838
HIGHER EDUCATION	1,859	2,913,082,510
INFORMATION AND CULT	1,019	1,502,439,964
INTERIOR	8,971	12,800,040,202
IRRIGATION	144	191,181,377
JUSTICE	354	563,349,472
LIGHT INDUSTRIES	341	443,518,503
MARTYRS AND DISABLED	400	551,564,500
MINES AND INDUSTRIES	500	725,635,625
MUNICIPALITIES	1,701	2,243,536,974
NATIONAL SECURITY	2,101	2,973,380,673
PLANNING	178	252,759,874
PRIME MINISTER'S OFFICE	381	538,189,600
PUBLIC HEALTH	4,601	5,028,393,150
PUBLIC WORKS	2,186	3,120,097,095
RELIGIOUS AFFAIRS	309	428,325,548
RECONSTRUCTION	5	6,149,000
REFUGEES	143	218,345,747
RURAL DEVELOPMENT	474	646,446,714
SCIENCE ACADEMY	745	1,133,194,892
SOCIAL AFFAIRS AND LABOR	1,302	1,737,699,759
SPORTS	57	80,386,000
STATE ENTERPRISES	10,347	15,303,776,308
TRANSPORT	274	411,696,031
WATER AND POWER	953	1,234,846,325
WOMEN AFFAIRS	230	323,007,000
<b>TOTAL -KABUL</b>	<b>76,011</b>	<b>105,380,869,543</b>
<b>II- PROVINCES</b>		
BADAKSHAN	9,217	8,585,787,636
BADGHEES	1,609	1,508,867,011
BAGHLAN	171	203,234,817
BALKH	10,371	13,743,882,803
BAMIYAN	3,096	2,882,963,900
BHAGLAN	5,111	6,538,478,535
FARAH	1,713	2,228,922,478
FARYAB	2,691	3,453,437,556
GHAZNI	951	1,203,734,623
GHOSE	2,408	3,068,279,291

HELMAND		1,824	2,199,293,934
HERRAT		7,066	10,372,271,476
JUZJAN		7,267	9,980,525,734
KANDAHAR		13,287	9,505,566,592
KAPISA		3,003	3,582,935,136
KHOST		1,124	1,334,108,310
KUNAR		3,736	3,639,598,874
KUNDUZ		2,248	2,946,718,008
LHAGMAN		1,547	1,989,108,550
LOGAR		1,275	1,626,286,009
MAIDAN AND WARDAK		752	969,007,894
NAIMROZ		1,095	1,318,652,521
NANGHARHAR		2,940	3,179,564,895
NORISTAN		236	290,617,000
PAKTIA		828	1,083,120,003
PAKTIKA		512	525,051,740
PARWAN		6,696	6,496,090,192
SAMANGAN		1,087	1,403,088,231
SARYPUL		572	697,228,792
TAKHAR		3,321	3,338,482,671
URUZGAN		1,022	1,391,485,906
ZABUL		629	821,213,679
TOTAL PROVINCES		99,405	112,107,602,797
GRAND TOTAL		175,416	217,488,472,340

AFGHANISTAN INTERIM AUTHORITY TRUST FUND  
CIVIL SERVICE PAYROLL COVERAGE  
PERIOD 22 JANUARY - 21 FEBRUARY 2002  
(MONTH 2)

as of 31 July 2002

MINISTRY /STATE INSTITUTION	No. of Staff	Payment in AFS
<b>I- KABUL</b>		
ADMINISTRATIVE AFFAIRS	912	1,349,055,424
AGRICULTURE	2,117	2,376,127,855
ATTORNEY GENERAL	869	1,121,373,612
BORDER AFFAIRS	421	588,890,895
CARTOGRAPHY	394	519,918,587
CENTRAL AND OTHER BANKS	2,504	3,989,070,402
CENTRAL STATISTICS	261	360,922,652
CHAMBER OF COMMERCE	377	540,415,602
CITY CONSTRUCTION	533	751,600,591
CIVIL AVIATION	563	829,458,928
COMMERCE	2,126	3,024,573,870
COMMUNICATIONS	2,230	2,992,024,370
COMPUTER CENTER	37	51,338,333
DEFENSE	6,446	7,433,530,465
DRUG CONTROL	43	61,009,000
EDUCATION	8,823	11,721,993,206
EDUCATION-SCHOOLS	8,609	10,646,925,236
FINANCE	1,971	2,739,338,941
FOREIGN AFFAIRS	370	561,584,273
HAJJ	1,084	1,360,176,042
HIGH COURT	1,040	1,405,423,909
HIGHER EDUCATION	1,967	3,233,529,533
INFORMATION AND CULTURE	1,565	2,124,124,288
INTERIOR	10,838	13,781,779,612
IRRIGATION AND WATER	234	259,362,535
JUSTICE	424	687,526,316
LABOUR AND SOCIAL AFFAIRS	2,064	2,831,098,049
LIGHT INDUSTRIES	1,489	1,823,374,401
MARTYRS AND DISABLED	223	321,578,066
MINES AND INDUSTRIES	1,447	2,100,907,075
MUNICIPALITIES	5,369	6,962,153,516
NATIONAL SECURITY	2,371	3,319,026,559
PLANNING	266	405,021,053
PRIME MINISTER	417	586,025,596
PUBLIC HEALTH	6,074	7,812,244,382
PUBLIC WORKS	1,852	2,639,095,532
RECONSTRUCTION	168	141,987,372
REFUGEES	487	689,175,571
RURAL DEVELOPMENT	496	719,890,006
SCIENCE ACADEMY	391	670,297,141
STATE ENTERPRISES	10,483	16,043,515,651
TRANSPORT	519	759,200,839
WATER AND POWER	1,155	1,563,615,672
WOMENS AFFAIRS	246	345,285,292
<b>TOTAL - KABUL</b>	<b>92,275</b>	<b>124,244,566,250</b>
<b>II- PROVINCES</b>		
BADAKSHAN	10,154	9,421,161,760
BADGHEES	1,969	1,846,617,325
BAGHLAN	4,485	6,334,093,054
BALKH	11,046	14,766,218,122
BAMIYAN	3,096	2,882,963,900
FARAH	2,058	2,583,011,298
FARYAB	3,009	3,746,072,149
GHAZNI	975	1,234,487,696
GHORE	2,484	3,213,497,605

HELMAND		2,751		3,085,145,904	
HERRAT		7,883		11,700,261,189	
JUZJAN		7,737		11,006,902,779	
KANDAHAR		13,287		9,505,566,592	
KAPISA		3,543		4,460,125,085	
KHOST		1,123		1,357,037,415	
KUNAR		3,840		3,723,373,421	
KUNDUZ		3,100		3,941,934,555	
LAGHMAN		1,910		2,529,881,217	
LOGAR		1,356		1,745,873,213	
MAIDAN AND WARDAK		789		1,012,606,161	
NAIMROZ		1,089		1,390,810,247	
NANGARHAR		7,624		8,832,956,180	
NORISTAN		171		209,283,000	
PAKTIA		811		1,125,092,103	
PAKTIKA		512		525,051,740	
PARWAN		7,134		7,269,323,680	
SAMANGAN		1,245		1,605,184,118	
SARYPUL		623		760,990,862	
TAKHAR		4,154		3,780,670,624	
URUZGAN		1,026		1,392,932,250	
ZABUL		640		835,031,225	
TOTAL -PROVINCES		111,624		127,824,156,469	
GRAND TOTAL		203,899		252,068,722,719	

AFGHANISTAN INTERIM AUTHORITY TRUST FUND  
CIVIL SERVICE PAYROLL COVERAGE  
PERIOD 22 FEBRUARY - 21 MARCH 2002  
(MONTH 3)

as of 31 July 2002

MINISTRY / STATE INSTITUTION	No. of staff	Payment in
		AFS
I- KABUL		
ADMINISTRATIVE AFFAIRS	939	1,317,923,998
AGRICULTURE	2,688	2,939,156,759
ATTORNEY GENERAL	1,474	2,245,663,774
BORDER AFFAIRS	448	573,142,504
CENTRAL AND OTHER BANKS	2,587	3,917,469,392
CENTRAL STATISTICS	274	349,013,632
CHAMBER OF COMMERCE		
CITY CONSTRUCTION	738	1,002,928,898
CIVIL AVIATION	2,313	4,363,914,218
COMMERCE	3,967	5,328,436,636
COMMUNICATIONS	2,424	2,906,172,103
COMPUTER CENTER	37	49,497,500
DEFENSE	7,212	8,680,794,681
DRUG CONTROL	101	151,849,460
EDUCATION	4,021	5,155,177,655
EDUCATION-SCHOOLS	9,549	11,557,921,009
FINANCE	2,261	3,000,350,995
FOREIGN AFFAIRS	375	500,373,134
GEODESY AND CARTOGRAPHY	408	556,571,574
HAJJ	1,060	1,326,683,455
HIGH COURT	1,211	1,562,492,287
HIGHER EDUCATION	2,421	3,495,780,469
INFORMATION AND CULTURE	1,530	2,066,954,678
INTERIOR	10,474	14,157,032,598
IRRIGATION	767	888,152,271
JUSTICE	423	582,405,489
LABOUR AND SOCIAL AFFAIRS	2,509	3,032,548,944
LIGHT INDUSTRIES	2,858	3,485,052,002
MARTYRS AND DISABLED	474	620,780,781
MINES AND INDUSTRIES	1,601	2,261,252,893
MUNICIPALITIES	280	250,667,126
NATIONAL SECURITY	2,623	3,396,493,579
PLANNING	352	523,195,956
PRIME MINISTER	519	713,259,498
PUBLIC HEALTH	7,183	8,769,371,960
PUBLIC WORKS	1,977	2,767,739,476
RECONSTRUCTION	207	277,115,818
REFUGEES	526	710,101,627
RURAL DEVELOPMENT	518	710,360,141
SCIENCE ACADEMY	397	680,016,050
SPORTS	101	139,370,826
STATE ENTERPRISES	3,808	5,415,194,649
TRANSPORT	1,952	2,530,021,772
WATER AND POWER	2,643	3,776,675,847
WOMEN'S AFFAIRS	286	397,955,935
TOTAL - KABUL	90,516	119,133,034,049
II - PROVINCES		
BADAKSHAN	10,176	9,365,597,899
BADGHEES	1,704	1,907,744,735
BAGHLAN	4,697	5,791,577,941
BALKH	12,083	16,020,974,220

BAMIYAN		3,415		3,240,005,960	
FARAH		2,250		2,803,497,167	
FARYAB		2,937		3,919,839,305	
GHAZNI		1,034		1,245,360,962	
GHORE		2,483		3,124,669,459	
HELMAND		3,183		3,726,586,509	
HERRAT		6,139		8,072,231,424	
JUZJIAN		8,047		12,509,258,217	
KANDAHAR		13,287		9,505,566,592	
KAPISA		3,758		3,500,993,750	
KHOST		1,268		1,475,334,938	
KUNAR		3,924		3,764,458,480	
KUNDUZ		3,409		4,247,867,979	
LAGHMAN		2,071		2,632,836,411	
LOGAR		1,529		1,871,509,030	
MAIDAN AND WARDAK		812		1,048,391,657	
NAIMROZ		1,095		1,437,983,350	
NANGARHAR		7,122		8,284,866,625	
NORISTAN		236		290,617,000	
PAKTIA		893		1,184,073,944	
PAKTIKA		577		508,281,740	
PARWAN		7,970		9,988,149,492	
SAMANGAN		1,270		1,575,230,678	
SARYPUL		605		756,664,870	
TAKHAR		4,056		3,724,959,133	
URUZGAN		1,021		1,380,297,250	
ZABUL		823		873,647,977	
TOTAL PROVINCES		113,874		129,779,074,694	
GRAND TOTAL		204,390		248,912,108,743	

AFGHANISTAN INTERIM AUTHORITY TRUST FUND  
CIVIL SERVICE PAYROLL COVERAGE  
PERIOD 22 MARCH- 21 APRIL 2002  
(MONTH 4)

as of 31 July 2002

MINISTRY/STATE INSTITUTION	No. of Staff	Payment in
		AFS
I- KABUL		
ADMINISTRATIVE AFFAIRS	1,002	1,449,898,975
AGRICULTURE	2,481	3,275,701,769
ATTORNEY GENERAL	1,548	2,309,405,864
BORDER AFFAIRS	484	659,597,270
CARTOGRAPHY	417	620,106,702
CENTRAL AND OTHER BANKS	2,721	4,337,589,202
CENTRAL STATISTICS		
CHAMBER OF COMMERCE		
CITY CONSTRUCTION	230	327,224,566
CIVIL AVIATION	1,218	1,817,953,242
COMMERCE	4,293	5,977,219,341
COMMUNICATIONS	2,585	3,217,775,854
COMPUTER CENTER	40	55,175,500
DEFENSE	8,264	9,459,205,418
DRUG CONTROL	12	8,101,882
EDUCATION	4,198	4,974,868,216
EDUCATION-SCHOOLS	15,077	19,311,731,435
FINANCE	2,370	3,329,651,764
FOREIGN AFFAIRS	395	592,150,403
HAJJ	1,059	1,388,975,597
HIGH COURT	1,350	1,842,796,847
HIGHER EDUCATION	2,321	3,635,054,869
INFORMATION AND CULT	1,248	1,719,042,321
INTERIOR	11,493	16,706,219,714
IRRIGATION	843	1,092,404,026
JUSTICE	427	626,841,965
LABOUR AND SOCIAL AFFAIRS	2,469	3,333,907,518
LIGHT INDUSTRIES	1,321	1,833,562,306
MARTYRS AND DISABLED	651	905,161,724
MINES AND INDUSTRIES	1,683	2,409,639,401
MUNICIPALITIES	2,438	3,900,802,632
NATIONAL SECURITY	2,273	2,959,500,120
PLANNING	350	510,233,942
PRIME MINISTER'S OFFICE	542	773,231,793
PUBLIC HEALTH	8,006	10,304,544,316
PUBLIC WORKS	2,447	3,493,615,586
RECONSTRUCTION	194	249,064,239
REFUGEES	529	753,666,233
RURAL DEVELOPMENT	614	876,008,318
SCIENCE ACADEMY	860	1,307,352,483
SPORTS	103	148,517,198
STATE ENTERPRISES	6,485	10,191,470,555
TRANSPORT	351	481,569,425
WATER AND POWER	3,190	3,855,715,207
WOMENS AFFAIRS	330	437,980,021
TOTAL -KABUL	100,912	137,460,235,759
II - PROVINCES		
BADAKSHAN	4,069	3,454,968,211
BADGHEES	1,715	1,925,594,046
BALKH	13,707	18,326,640,702
BAMIYAN	3,373	3,912,642,195
BHAGLAN	8,791	11,768,894,263



FARAH		2,316		3,080,959,437	
FARYAB		2,983		4,215,292,514	
GHAZNI		1,345		1,595,923,829	
GHOR		2,483		3,124,869,459	
HELMAND		2,142		2,580,997,118	
HERRAT		6,493		8,677,344,501	
JUZJAN		7,810		13,246,028,500	
KANDAHAR		13,287		9,505,566,592	
KAPISA		3,879		4,026,559,654	
KHOST		1,987		2,307,316,647	
KUNAR		4,189		4,194,475,184	
KUNDUZ		4,713		6,049,521,938	
LHAGMAN		2,509		3,506,591,272	
LOGAR		2,196		2,799,058,212	
MAIDAN AND WARDAK		932		1,239,169,963	
NAIMROZ		1,154		1,549,616,819	
NANGHARHAR		10,851		14,208,853,018	
NORISTAN		490		608,972,000	
PAKTIA		1,714		1,715,151,437	
PAKTIKA		577		508,281,740	
PARWAN		8,070		11,645,149,818	
SAMANGAN		1,633		2,033,074,367	
SARYPUL		1,906		2,509,139,521	
TAKHAR		6,274		6,619,540,779	
URUZGAN		2,178		2,764,711,366	
ZABUL		1,260		1,528,360,040	
TOTAL PROVINCES		127,026		155,209,065,142	
GRAND TOTAL		227,938		292,669,300,901	

**AFGHANISTAN INTERIM AUTHORITY TRUST FUND**  
**CIVIL SERVICE PAYROLL COVERAGE**  
**PERIOD 22 APRIL- 21 MAY 2002**  
**(MONTH 5)**

as of 31 July 2002

MINISTRY/STATE INSTITUTION	No. of Staff	Payment in AFS
<b>I- KABUL</b>		
ADMINISTRATIVE AFFAIRS	320	1,812,159,747
AGRICULTURE	2,530	4,061,362,892
ATTORNEY GENERAL	1,563	2,894,625,808
BORDER AFFAIRS	499	819,720,312
CARTOGRAPHY	432	744,582,307
CENTRAL AND OTHER BANKS	2,815	5,287,547,465
CENTRAL STATISTICS	309	486,272,866
CHAMBER OF COMMERCE		
CITY CONSTRUCTION	968	1,641,879,230
CIVIL AVIATION	2,428	5,185,072,148
COMMERCE	4,298	7,176,023,442
COMMUNICATIONS	2,617	3,908,286,001
COMPUTER CENTER	54	93,535,348
DEFENSE	9,518	14,579,410,668
DRUG CONTROL	58	93,275,330
EDUCATION	7,656	11,171,617,309
EDUCATION-SCHOOLS	9,655	13,965,421,770
FINANCE	2,365	4,050,818,648
FOREIGN AFFAIRS	404	683,757,471
HAJJ	1,072	1,638,286,141
HIGH COURT	1,443	2,275,833,265
HIGHER EDUCATION	2,478	4,301,119,427
INFORMATION AND CULT	2,657	4,316,912,859
INTERIOR	11,657	20,449,435,007
IRRIGATION	972	1,453,023,673
JUSTICE	1,048	1,621,398,362
LABOUR AND SOCIAL AFFAIRS	3,091	4,355,332,959
LIGHT INDUSTRIES	2,348	3,898,769,536
MARTYRS AND DISABLED	747	1,219,917,282
MINES AND INDUSTRIES	1,625	2,756,483,924
MUNICIPALITIES	2,893	4,842,619,550
NATIONAL SECURITY	3,218	5,171,660,957
PLANNING	372	638,500,423
PRIME MINISTER'S OFFICE	678	1,089,143,239
PUBLIC HEALTH	9,411	12,745,888,854
PUBLIC WORKS	2,272	4,112,878,284
RECONSTRUCTION	229	356,509,310
REFUGEE RETURN	591	978,773,282
RURAL DEVELOPMENT	646	1,063,112,329
SCIENCE ACADEMY	364	782,575,116
SPORTS	113	178,622,697
STATE ENTERPRISES	1,392	2,265,947,726
TRANSPORT	1,278	2,073,920,694
WATER AND POWER	2,945	4,926,763,917
WOMENS AFFAIRS	402	580,146,144
<b>TOTAL -KABUL</b>	<b>104,429</b>	<b>168,748,943,719</b>
<b>II- PROVINCES</b>		
BADAKSHAN	9,541	13,167,726,772
BADGHEES	2,016	3,002,316,116
BALKH	13,955	21,928,116,509
BAMIYAN	3,395	4,410,353,090
BHAGLAN	8,263	12,227,167,740

FARAH		2,535	4,029,174,568
FARYAB		2,949	4,933,424,474
GHAZNI		1,485	2,048,216,904
GHOR		2,483	3,127,089,459
HELMAND		3,617	5,027,506,305
HERRAT		8,313	12,154,473,235
JUZJAN		13,343	15,266,562,838
KANDAHAR		13,287	9,505,566,592
KAPISA		4,158	5,246,765,821
KHOST		1,758	2,271,183,715
KUNAR		4,500	4,302,577,711
KUNDUZ		4,727	7,384,783,945
LAGHMAN		2,666	3,782,974,887
LOGAR		2,244	3,237,346,278
MAIDAN AND WARDAK		1,116	1,591,334,563
NAIMROZ		1,159	1,546,748,838
NANGHARHAR		10,281	14,923,338,003
NORISTAN		379	502,994,526
PAKTIA		1,922	2,217,344,338
PAKTIKA		577	508,281,740
PARWAN		8,070	11,648,969,818
SAMANGAN		1,681	2,422,474,197
SARYPUL		2,528	2,789,898,164
TAKHAR		6,065	6,730,249,373
URUZGAN		2,233	3,223,831,410
ZABUL		1,387	1,800,345,182
TOTAL PROVINCES		142,633	186,959,137,111
GRAND TOTAL		247,062	355,708,080,830

**AFGHANISTAN INTERIM AUTHORITY TRUST FUND**  
**CIVIL SERVICE PAYROLL COVERAGE**  
**PERIOD 22 MAY - 21 JUNE 2002**  
**(MONTH 6)**

as of 31 July 2002

MINISTRY/STATE INSTITUTION	No. of Staff	Payment in AFS
<b>I- KABUL</b>		
ADMINISTRATIVE AFFAIRS	1,070	2,034,455,718
AGRICULTURE	2,523	4,301,772,177
ATTORNEY GENERAL	1,957	3,627,125,331
BORDER AFFAIRS	512	913,678,146
CARTOGRAPHY	438	783,418,573
CENTRAL AND OTHER BANKS	3,001	6,073,676,795
CENTRAL STATISTICS	297	520,333,399
CHAMBER OF COMMERCE		
CITY CONSTRUCTION	994	1,815,036,429
CIVIL AVIATION	2,541	5,477,901,637
COMMERCE	4,056	8,273,238,436
COMMUNICATIONS	2,553	4,354,580,291
COMPUTER CENTER	58	113,601,430
DEFENSE	10,358	17,403,125,562
DRUG CONTROL	6	100,197,500
EDUCATION	17,159	24,987,917,163
EDUCATION-SCHOOLS	2,808	3,885,046,109
FINANCE	2,522	4,672,502,140
FOREIGN AFFAIRS	454	791,531,371
HAJJ	1,082	1,864,116,186
HIGH COURT	1,195	2,113,562,570
HIGHER EDUCATION	2,397	5,113,282,212
INFORMATION AND CULT	2,841	4,861,439,105
INTERIOR	11,584	22,369,128,603
IRRIGATION	1,168	1,730,923,219
JUSTICE	22	37,510,800
LABOUR AND SOCIAL AFFAIRS	2,974	4,456,564,042
LIGHT INDUSTRIES	1,565	2,935,579,251
MARTYRS AND DISABLED	1,261	2,231,420,233
MINES AND INDUSTRIES	1,563	2,945,527,741
MUNICIPALITIES	3,277	5,893,029,947
NATIONAL SECURITY	2,492	4,575,910,763
PLANNING	512	714,584,154
PRIME MINISTER'S OFFICE	727	1,268,401,262
PUBLIC HEALTH	7,676	12,997,872,574
PUBLIC WORKS	2,626	4,783,418,786
RECONSTRUCTION	247	464,461,540
REFUGEE RETURN	560	1,035,135,730
RURAL DEVELOPMENT	627	1,170,627,193
SCIENCE ACADEMY	362	828,454,333
SPORTS	103	190,850,000
STATE ENTERPRISES	1,601	2,916,852,434
TRANSPORT	1,323	2,403,851,212
WATER AND POWER	3,059	5,604,385,306
WOMENS AFFAIRS	411	713,707,051
<b>TOTAL -KABUL</b>	<b>106,562</b>	<b>186,349,734,454</b>
<b>II- PROVINCES</b>		
BADAKSHAN	9,703	13,562,973,808
BADGHEES	2,001	3,220,579,368
BALKH	16,290	26,276,448,599
BAMIYAN	3,410	4,573,324,661
BHAGLAN	8,656	13,497,947,237

FARAH		2,589		3,980,012,104	
FARYAB		2,949		5,390,066,434	
GHAZNI		1,674		2,568,166,324	
GHORE		2,483		3,129,289,459	
HELMAND		3,876		5,615,359,008	
HERRAT		9,793		17,194,597,448	
JUZJAN		8,532		16,892,203,750	
KANDAHAR		13,287		9,505,566,592	
KAPISA		4,316		6,118,646,840	
KHOST		1,825		2,502,500,471	
KUNAR		4,525		4,647,490,361	
KUNDUZ		6,457		9,510,433,695	
LAGHMAN		2,982		4,514,815,422	
LOGAR		2,351		3,571,943,076	
MAIDAN AND WARDAK		1,265		1,922,097,265	
NAIMROZ		1,155		1,715,202,164	
NANGHARHAR		10,053		15,781,273,313	
NORISTAN		401		592,499,360	
PAKTIA		1,997		2,459,953,581	
PAKTIKA		577		508,281,740	
PARWAN		8,070		11,648,969,818	
SAMANGAN		1,745		2,753,447,866	
SARYPUL		1,977		2,925,823,858	
TAKHAR		5,001		1,086,844,855	
URUZGAN		2,233		3,756,587,174	
ZABUL		2,716		8,293,264,047	
TOTAL PROVINCES		144,869		209,716,609,498	
GRAND TOTAL		251,431		396,066,343,952	

## **Annex 6: Photographs**



Civil Servant Beneficiary







Oil, lentils and a distribution ledger



A Teacher collects her salary supplement



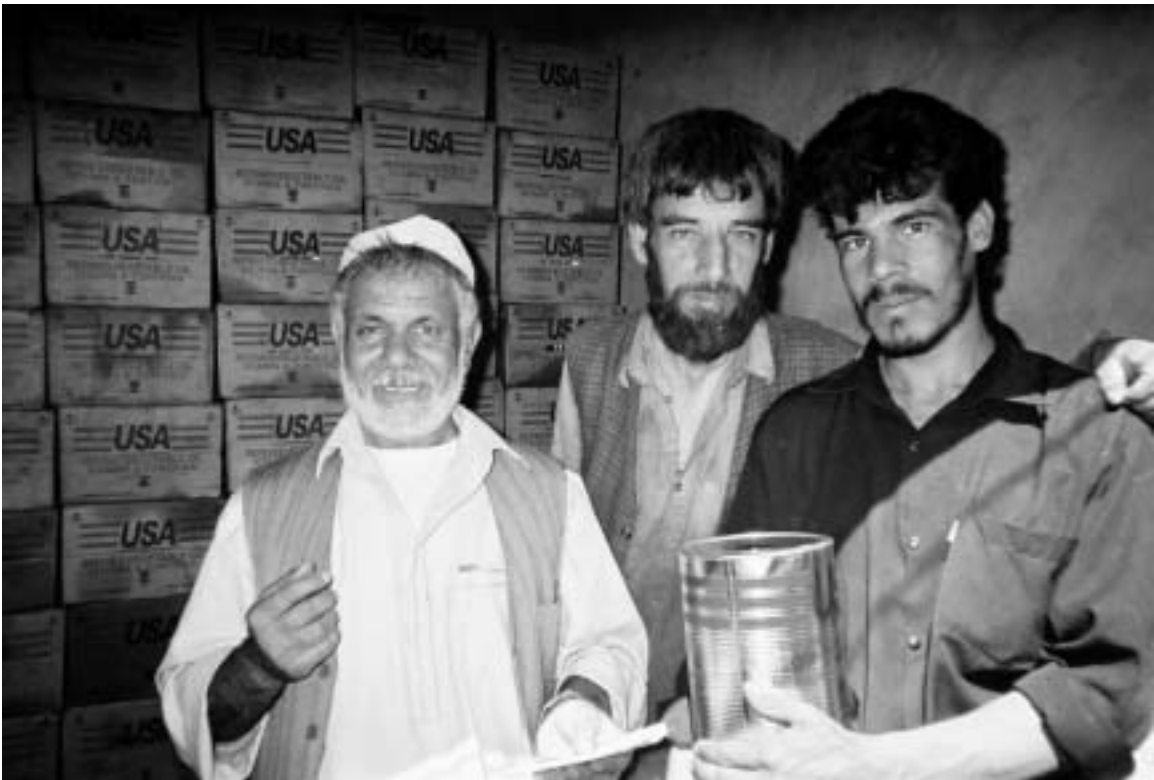
Civil Servant and son collect the supplement



Payroll Sheets



Worker with Ration Book



Thanks for the Oil



Can you give us wheat?



Civil Servants at Distribution



Passing WFP trucks on Jalalabad-Kabul Road



WFP Warehouse



DoR Warehouse



DoR Field Warehouse



U.S. Oil in DoR Kabul Warehouse





Damaged Containers





55 Gal. Oil Drums – Less Visibility



Repackaged U.S. Oil



Verifying Eligibility



Reviewing Ration Book Identity and Coupons



Coupons Tendered and Consolidated

